- The NSP seeks to strengthen the existing training and research facilities available to the domestic steel industry so as to provide suitable training programmes especially for the secondary small-scale units and also to collect and analyze data on important parameters of the industry.
- The NSP seeks to mount aggressive R&D efforts to create manufacturing capability for special types of steel, substitute coking coal, use iron ore fines, develop new products suited to rural needs, enhance material and energy efficiency, utilize waste and arrest environmental degradation.
- The NSP acknowledges the important role played by the secondary steel sector in providing employment, meeting local demand of steel in rural and semi-urban areas and meeting the country's demand of some special products and seeks to endeavor to provide the necessary feedstock to these units at reasonable prices from major plants through the existing mechanism of State Small Industries Corporations.
- The NSP recognizes the fact that integration of the Indian steel industry with the global economy requires that the industry should be protected from unfair trade practices, which become common especially during periods of downturn. The NSP therefore, envisages institution of mechanisms for import surveillance and monitoring export subsidies in other countries.

Consumption and pricing of iron-ore

2169.SHRI RAMDAS AGARWAL: Will the Minister of STEEL be pleased to state:

(a) the annual domestic consumption of iron-ore in the country and the total quantity of iron-ore exported during the year 2007-08 in comparison to the year 2006-07 till 31.3.2008, and of what quality;

(b) the total production of iron-ore and its domestic sales during the said period;

(c) the details of prices of iron-ore during May, 2006 to May, 2008;

(d) the details of various taxes and the rates at which they are being levied indicating whether Government proposes to impose *ad valorem* duty on all iron-ore exports; and

(e) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI JITIN PRASADA): (a) The annual domestic consumption and export of iron-ore in the year 2006-07 and 2007-08 (till 31.3.2008) is given below:

(Unit: million tonnes)

Year	Domestic consumption (Lumps + Fines)	Exports			
		64% Fe and above (Lumps & Fines) and Fines)	Between 62-64% Fe (Lumps Fines)	Below 62 % Fe (Lumps and	Total
2006-07 (Provisional)	68.5	13.52	31.10	49.17	93.79
2007-08 (Estimated)	185*	12.15	25.29	66.83	104.27

* Estimated by Ministry of Steel.

(Source: For Production and domestic consumption, IBM; for Export, MMTC)

(b) The total production of iron ore, captive production and domestic sales of iron ore during the year 2006-07 and 2007-08 are given below:

Year	Total Production	Captive production	Total domestic consumption of iron ore	Balance requirement fulfilled from market supplies/ domestic sales*
		A	B	(B-A)
2006-07 (Provisional)	187.7	37.14	68.5	31.36
2007-08 (Estimated)	206	38.20	85*	46.80

* Estimated by Ministry of Steel

(Source: For production & domestic consumption: IBM)

(c) Domestic prices of iron ore of NMDC Ltd., a PSU under Ministry of Steel, during May, 2006 to May, 2008 are given below:

(Domestic prices in Rs. / WMT on FOR basis exclusive of royalty, sales tax, other statutory duties and levies etc.)

Product	May, 2006 to March, 2007	April, 2007 to Sept 2007	Oct, 2007 to March, 2008	April, 2008 to May, 2008
Fines	1114	1209	1783	1970
Baila Lump	1818	1972	2546	3510

As iron ore prices are deregulated, the Government does not maintain data about the prices of other iron ore miners.

(d) and (e) The Government of India imposes royalty and export duty on iron ore.

i) The present rate of royalty on iron ore is following:

Product	Fe Content	Rate of Royalty (Rs. per tonne)
Lump	65% or more	27
	62% to 65%	16
	Less than 62%	11
Fines	65% or more	19
	62% to 65%	11
	Less than 62%	8
Concentrates prepared by beneficiation or concentration of low grade ore containing 40% Fe or less		4

ii) At present, the following rates of export duty are levied on iron ore:

- Iron ore fines (all sorts) - Nil
- Iron ore, other than fines (including Lumps & Pellets):- 5% *ad-valorem*